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ABSTRACT

Most school systems in Tennessee raise additional revenue for instructional and extracurricular activities through fund raising projects and voluntary student fee collections. Responses to a questionnaire by 129 principals (from a sample of 15) were analyzed to determine the extent, diversity, and results of fund raising activities and fee collections. Approximately 90 percent of the responding principals indicated that fund raising was practiced in their schools. The most popular fund raising activity reported was student picture sales (87 percent), followed by sweets sales, carnivals, and entertainment. Academic programs receive 65 percent of the funds and extracurricular programs 35 percent. The amount of funds collected ranged from $5,000 to $100,000 annually, with the average of $25,000. Eliminating fund raising activities and increasing taxes were favored by 84 percent of the principals. However, local property taxes would need to be increased by almost 14 percent to compensate for lost revenue should fund raising and fee collection be eliminated. (MLF)

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A STUDY OF FUND RAISING AND FEE COLLECTION PRACTICES IN TENNESSEE PUBLIC SCHOOLS

A Research Study at the
Thirteenth Annual Meeting of the
Mid-South Educational Research Association in
New Orleans, LA, on November 15, 1984

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A STUDY OF FUND RAISING AND FEE COLLECTION PRACTICES IN TENNESSEE PUBLIC SCHOOLS

Introduction

In Tennessee, public education is a state function with its operation delegated to local educational agencies. The funding of public education is a cooperative responsibility of state, local, and federal legislative bodies with the state level having the major financing role. Tennessee State Law requires that public schools shall be free to all persons from ages six through sixteen, inclusive, and for certain handicapped students through age twenty-one. (Tennessee Code Annotated, Volume 9) Specifically, The Tennessee Internal School Financial Management Manual (page 53) states that "fees must not be required of any student as a requisite for school attendance or enrollment in any class, course, or for using school equipment." Even so, it seems to be common practice for local public schools to engage in fund raising projects and fee collections to supplement and support educational programs and activities.

Statement of the Problem

This descriptive study was conducted to determine the extent, diversity, and results of fund raising activities and fee collections in Tennessee Public Schools.

Significance of the Study

The significance of this study is that most school systems in Tennessee raise additional revenue for instructional and extra-curricular activities through fund raising projects and voluntary student fee collections. This aspect of school funding has not been systematically

investigated and often ignored, not withstanding that a significant amount of revenue is collected. The elimination of these funds would have a notable effect on the instructional programs and impact upon local tax rates.

Research Procedure

A sample of principals was determined by a random selection from the statewide listing of principals in the 1983-84 Directory of Public Schools published by the Tennessee State Department of Education. There were fifty principals selected from each of the three geographic regions of the state. A questionnaire was developed and sent to the sample of principals representing elementary through senior high schools. Schools included in the study ranged in size from 310 to 2,300 students, with an average enrollemnt of 846. Some 86 percent (129) of the principals surveyed responded to the questionnaire. The data collected were reviewed and a descriptive analysis prepared.

Presentation of the Data

A descriptive presentation of the data using an item by item technique follows:

1. Check the fund raising events that you have had or plan to have this school year (indicate your profit):

Approximately 90 percent of the responding principals indicated that fund raising was practiced in their schools. A diversity of fund raising activities were used by the schools to raise money:

Fund Raising Activities in Tennessee Public Schools

Activity	Percent Participating
Student Picture Sales	87
Candy, Cookies, Cake (Sweets)	80
Carnivals/Festivals/Plays	56
Magazine Sales	52
Various Concessions	48
Fruit Sales	44
Other(s)	10

The most popular fund raising activity reported was student picture sales (87 percent), followed by the sale of sweets, carnivals and entertainment, magazine sales, concessions, and fruit sales. The profits gained through these activities ranged from 20 percent to 100 percent.

2. What percent of the fund raising takes place during the school day?

29%	During school day
71%	After school hours

Most of the fund raising activities occurred after regular school hours (or during weekends).

3. Are students involved in door-to-door solicitation?

Yes	67%
No	33%

Some two-thirds of the principals reported that students in their schools are involved in door-to-door sales activities.

4. Do fund raising activities interfere with instructional time?

Yes	45%
No	40%
Undecided	15%

The principals were about evenly split in their responses regarding the interference of fund raising with instructional time. About 15 percent were undecided on this issue.

5. What percent of the fund raising profits support: the academic program? the extracurricular program?

Academic program	65%
Extracurricular program	35%

The data revealed that 65 percent of the fund raising profits were used for academic purposes, while 35 percent of the profits were expended for extracurricular activities. The money collected was reported to be spend for library books, school equipment and furniture, computers, teaching materials, field trips, and band expenses.

6. Should revenue now collected through fund raising activities be replaced by increasing taxes?

Yes	84%
No	16%

Interestingly, 84 percent of the respondents favor increasing taxes and eliminating fund raising activities.

7. If taxes were increased to eliminate fund raising, which taxes should be increased?

Sales Tax	30%
Income Tax	28%
Alcohol/Tobacco	24%
Property Tax	18%
Other (Hotel-Motel, Entertainment)	11%

The retail sales tax was the preferred means of securing funds.

8. Is there a school board policy in your school district governing fund raising?

Yes	72%
No	28%

Most school districts represented in the study have a policy governing fund raising.

9. Is fund raising worth the time and effort?

Yes	81%
No	13%
Undecided	6%

It is noteworthy that the principals believed that fund raising was worthwhile. However, they reported in item 6 that revenue now generated through fund raising should be replaced by increased revenue through taxation. Discontinuing fund raising with no revenue alternative would have the effect of curtailing school programs.

10. What is the total amount of funds raised in your school?

The amount of funds collected through fund raising ranged from $5,000 to $100,000 annually. The average was $25,000.

11. Do you collect fees from students?

Yes	68%
No	32%

It was found that over two-thirds of the schools in the study collect fees from students.

12. Identify types of fees collected.

Locker Fee	60%
Materials Fee	52%
Breakage Fee	20%
Club Dues	18%
Others	12%

A majority of the schools collected one or more of the fees identified above.

13. What is the average amount of fees collected per student?

The fees per student ranged from $2 to $39. The average fee collected per student was $12 or $10,152 per school.

14. If a student is unable or unwilling to pay a fee, are they furnished the same materials or services as those who pay?

Yes	93%
No	7%

Nearly all of the principals said that students would not be penalized because of failure to pay the requested fee.

15. Is there a school board policy in your school district governing fee collections?

Yes	77%
No	23%

Most school systems had addressed the fee collection issue through a written school board policy.

Summary Statement

The information gained in this study should help decision-makers better understand the scope of fund raising and fee collection in Tennessee Public Schools. Should fund raising and fee collections be eliminated, the resulting curtailments would negatively impact both instructional and extracurricular activities in most schools. Revenue lost by the discontinuance of these practices would need to be provided by local funding.

In Tennessee, on the average, a one percent (one cent) of property tax equates to $2,535. On the average, fund raising and fee collections account for a total of $35,152. Therefore, local property taxes would need to be increased 13.87 cents in order to compensate for lost revenue. In reality, fund raising and fee collections will continue in most Tennessee school systems. The benefits of the practices offset the problems incurred.